

ARLINGTON FINANCE COMMITTEE
MINUTES OF MEETING
TOWN HALL HEARING ROOM
3/5/14

ATTENDEES:

Deyst	White	Caccavaro*	Kellar	McKenna*
DeCoursey	Connors*	Simmons*	Gibian*	
Tosti*	Foskett*	Bayer*	Ronan	
Kardon	Beck*	Jones*	Deshler*	
Franclemont*	Howard*	Fanning*	Carman*	Turkall*

* Indicates present

VISITORS CPA Committee members Susan Stamps (Chair), Clarissa Rowe, Pam Hallett, Sarah Burks, Doreen Stevens, Ted Peluso, Town Manager Adam Chapdelaine, DPW Director Mike Rademacher

MINUTES of 3/3/14 approved as corrected. Unanimous

ART 22 CPA: Stamps reviewed the CPA act which provides matching funds to be used for open space, affordable housing, historic preservation & recreational facilities (Ref 1). She proposed that the Town voters be asked to accept a 1.5% real estate tax surcharge with the first \$100k of the assessment exempted. She stated that this would cost the average home owner \$86/year. The state match may be 53% again, as it is this year, which was made possible by appropriation of additional funds. The basic funding, from a tax on real estate sales, supported a match of 27% in 2013. Cambridge, Somerville, Lexington & Belmont along with more than 100 other communities have accepted CPA.

In discussion, members voiced several views. The program does not save money as claimed. A referendum to increase taxation would make subsequent override efforts more difficult. The purposes of CPA are less important than community safety, education, and public works. The Town is already supporting CP purposes. Based on a review of capital budgets over the last 10 years, 12% have been appropriated for CPA purposes. AHA and HCA are making good progress on affordable housing. The CPA communities listed in the presentation are very different from Arlington. Why have so few towns adopted CPA? Public money should not be provided to private organizations even if spent for public purposes. The tax surcharge on Arlington residents is more than we would receive from CPA. The State could change the CPA legislation at any time making it less attractive. The presentation was not convincing. VOTED No Action 12-1-1. This will be a BoS main motion.

At the FinCom's request, the Town Manager addressed several articles.

ART 17 2nd Water Meters: Rademacher suggested that a more equitable way to recognize that lawn irrigation and other outside use of water does not use sewers would be to base summer sewer charges on winter water use. He said the software changes needed to support either approach could be done but he had no cost estimate. He has not discussed this with other communities. He had no estimate of the cost of protecting from cheating. He had no estimate of the increased water costs for either approach. Chapdelaine stated that any approach that reduced the cost of outside water use would be a disincentive towards water conservation. VOTED No Action Unanimous.

ART 41 UNCLE SAM PLAZA SIGN: Chapdelaine said he had met with both the ATED and Uncle Sam groups. He decided to approve the major lettering to be "Visitors Center" and the minor lettering to be "Uncle Sam Plaza" because the Town is investing

money in the visitor center and the plaza already has a sign. He was unable to make this a consensus decision. VOTED No Action Unanimous.

ART 44 HISTORIC SIGNAGE: Chapdelaine agreed that an additional \$28k on top of the \$40k already appropriated before any signs are in place is unwise. VOTED No Action Unanimous.

SPECIAL TOWN MEETING ARTICLES Chapdelaine provided a memo with his recommendations on these articles (Ref 2)

STM ART 3 ENTERPRISE FUND BUDGETS

RINK EF BUDGET: Unexpected expenses include payments to DCR now being collected due to a policy change allowing a portion of such payments to be retained by DCR. VOTED to transfer \$43,044 from retained earnings of \$90,435 to the rink operating budget for FY14. Unanimous.

AYCC EF BUDGET: Unexpected expenses were incurred as a new medical record system was introduced. VOTED to transfer \$15,000 from retained earnings of \$43,315 to the AYCC FY 14 operating budget. Unanimous.

STM ART 4 COLLECTED BARGAINING: Agreement was reached w/ APPA for FY14 & FY15 for a 2.75% COLA. VOTED to transfer \$89,000 from the vote under 2013 ATM Art 29 to the police budget. Unanimous.

STM ART 5 CENTRAL FIRE STATION RENOVATION: Funds for this purpose are in the FY15 capital budget. Funds are unlikely to be needed if FY 14. VOTED No action Unanimous.

STM ART 6 PEIRCE SCHOOL REPAIR: A heating system failure caused a pipe to freeze, burst and cause water damage. An alarm failed. The Town may recover some costs under warranty. VOTED to transfer \$25,862 from the Municipal Building Trust Fund to the FY14 school budget. Unanimous.

ART 23 LOCAL OPTION TAXES: None are expected. Voted No Report. Unanimous.

ART 46 SCENIC BYWAY: Refer to minutes of 2/19. VOTED \$5,000 Unanimous

ART 50 LONG TERM STABILIZATION FUND: This fund is now about \$2.8m.

VOTED \$100,000 Unanimous

ART 53 FREE CASH Half would be \$3,042,925. This is usually applied to the tax rate. Fosskett will review the sources of this amount.

RESERVE FUND: \$664,414:.

COMMITTEE:

Peter Howard 3/7/14 Revised 3/12/14

cc FinCom Members, Town Web Site

Ref 1 CPA Brochure

Ref 2 Memo Special Town Meeting Articles 3, 4, 6

Preserving Arlington

with the Community Preservation Act



WHAT IS THE COMMUNITY PRESERVATION ACT (CPA)?

The CPA enables cities and towns in Massachusetts to create a local dedicated fund for open space, historic preservation, community housing, and outdoor recreation projects. Cities and towns that adopt the act also receive funds from the statewide Community Preservation Trust Fund each year to help fund these projects.

HOW IS CPA FUNDING GENERATED?

CPA funds are generated through two sources: a voter-approved surcharge of up to 3 percent on property tax bills, and an annual disbursement from the statewide Community Preservation Trust Fund, which distributes funds each November to communities that have adopted CPA. The Trust Fund's revenues are derived from fees collected at the Registry of Deeds, and from state budget surplus funds. Because Arlington has not adopted CPA, it has not been receiving these annual funds.

HOW ARE CPA FUNDS SPENT?

Each fiscal year, CPA communities must spend, or set aside for future spending, the following share of their annual CPA revenues on three core areas:

- 10 percent for **open space and recreation**
- 10 percent for **historic resources**
- 10 percent for **community housing**

The remaining 70 percent of the revenues may be spent or reserved for future projects in any of these three programmatic areas. CPA funds may never be directed to the general town fund; they may only be spent on the CPA core areas of open space, historic preservation, community housing, and outdoor recreation.

WHAT PROJECTS CAN ARLINGTON FUND WITH CPA?

- Restore and preserve historic town halls, documents, libraries, schools, and other structures
- Create new (or restore run-down) ball fields, playgrounds, and create trails for walking and biking
- Preserve land for the enjoyment of residents, outdoor education and recreation, flood control and wildlife habitat
- Create more affordable housing for local residents, such as supportive housing for seniors and renovated apartments for young families and small households
- Leverage additional dollars from state, federal, and foundation grants

YOU DECIDE HOW CPA FUNDS ARE SPENT!

After adopting CPA, municipalities must establish a local Community Preservation Committee (CPC) to review proposals for local CPA-funded projects, and recommend projects to the local legislative body for approval. All CPA projects must be approved by Arlington's Town Meeting to receive CPA funds.

CPA communities exercise local control over their CPA budget. With input from residents and community boards and committees, they determine what types of CPA projects will most benefit the community each year.

Susan Stamps
978-807-7933

susan.stamps@comcast.net

for more
information, visit
communitypreservation.org

HOW MUCH WOULD CPA COST THE AVERAGE ARLINGTON HOMEOWNER?

Arlington residents will vote on which level of CPA surcharge to adopt, up to 3%, on their local property tax bills, with the option of exempting the first \$100,000 of assessed value of residential and/or commercial/industrial real estate. The town may also choose to exempt low-income homeowners and low- and moderate-income senior homeowners from the surcharge.

Estimated Yearly Cost to Average Arlington Homeowner (based on FY 2014 data*)				
CPA Surcharge Level	1%	1.5%	2%	3%
Without any exemptions	\$71	\$106	\$142	\$213
Exempt first \$100K of commercial/industrial <i>and</i> residential property value	\$57	\$86	\$114	\$172

HOW MUCH WOULD CPA GENERATE FOR ARLINGTON?

With a 1% surcharge, and the exemption for the first \$100,000 of residential and commercial/industrial property value, Arlington would generate approximately \$804,000 annually. **It is important to note that this figure does not include revenue that Arlington would receive annually from the state CPA Trust Fund, which would be in addition to the local CPA revenue raised.** Below is a chart showing estimated **locally raised** CPA revenues under a range of adoption scenarios, based on FY 2014 data.

Estimated Yearly CPA Revenue for Arlington (based on FY 2014 data*, does <u>not</u> include state matching funds!)				
CPA Surcharge Level	1%	1.5%	2%	3%
Without any exemptions	\$1,002,834	\$1,504,252	\$2,005,669	\$3,008,503
Exempt first \$100K of commercial/industrial <i>and</i> residential property value	\$804,438	\$1,206,657	\$1,608,875	\$2,413,313

*Based on FY 2014 data from the Massachusetts Department of Revenue.



155 communities have adopted CPA, including Cambridge, Somerville, Waltham, Belmont, Lexington and Lincoln



Photos of Arlington in this flyer represent potential projects in town that could benefit from CPA funds.

February 2014



**Town of Arlington
Office of the Town Manager**

Andrew P. Flanagan
Deputy Town Manager

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Arlington MA 02476-4908
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E-mail: aflanagan@town.arlington.ma.us
Website: www.arlingtonma.gov

TO: Adam W. Chapdelaine, Town Manager
FROM: Andrew P. Flanagan, Deputy Town Manager
DATE: March 4, 2014
RE: Special Town Meeting Warrant Articles 3, 4 and 6

Attached please find the supporting documentation for Special Town Meeting Warrant Articles 3, 4 and 6. Based on the following information, I recommend requesting that the Finance Committee offer favorable action on each of the three articles:

STM Article 3 – Amendments to FY2014 Town Budgets

There are currently two requests for budget amendments. Attached are two memoranda, one from Joe Connelly, Director of Recreation/Ed Burns Arena and the other from Christine Bongiorno, Director of Health & Human Services, which outline the circumstances that have resulted in the need for a budget amendment. Both requests are from their respective reserve funds/retained earnings and are needed in order to offset unforeseen expenses incurred during the fiscal year. Below are the retained earnings balances for both the Ed Burns Arena and the Arlington Youth Counselling Center:

Ed Burns Arena - \$90,435
Arlington Youth Counselling Center - \$45,315

STM Article 4 – Appropriation/FY2014 Collective Bargaining

The Town reached an agreement with the Arlington Police Patrolmen's Association (APPA) for FY 2014 and FY 2015. The agreement included a 2.75% cost of living adjustment (COLA) on July 1st of each fiscal year. The Town is requesting an appropriation of \$89,000 to fund the July 1, 2013 COLA increase. The funds were previously appropriated and set aside by vote of the April 29, 2013 Annual Town Meeting under Warrant Article 29. The FY 2015 proposed police budget includes both the July 1, 2013 and July 1, 2014 COLA increases. Attached are draft vote language and a corresponding funding schedule.

STM Article 6 – Appropriation/Peirce Elementary School Repair

On January 4, 2014, the Peirce Elementary School experienced significant water damage from a flood that resulted from the bursting of frozen pipes. Attached please find a memorandum from Diane Johnson, School CFO, which outlines the incident and a spreadsheet detailing the expenses associated with the needed repairs and the costs of replacing materials. The Town is requesting that \$25,862.17 be transferred from the Municipal Building Trust for the purposes of offsetting the costs associated with the incident. The current balance of the Municipal Building Trust is \$796,870.62.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE BOARD OF HEALTH**

Town of Arlington

27 Maple Street
Arlington, Massachusetts 02476

Christine Connolly Bongiorno, MPH
Director of Health and Human Services

Tel: 781 316-3170
Fax: 781 316-3175

MEMO

TO: Andrew Flanagan, Deputy Town Manager

FROM: Christine Bongiorno, Director of Health and Human Services

DATE: February 28, 2014

RE: AYCC Reserve Balance Transfer Request (655)

I write to request permission to use \$15,000 of the Arlington Youth Counseling Center (AYCC) enterprise fund balance for this fiscal year due to an anticipated deficit by the end of June. This year, AYCC put in place an electronic medical record system that resulted in a shift in how medical reimbursement claims are processed. The new system will now allow the agency to conduct sessions and do all billing electronically which will streamline many of the former procedures that were conducted in multiple spreadsheets and required that we send hardcopies of session bills through the mail. As a result of this new system, there was a period of time where there were fewer sessions conducted while clinicians were in training and some claims were lost in the early stages due to mistakes in medical billing codes which have now been corrected. The current start of year fund balance was \$ 45,314.70. Please do not hesitate to contact me should you need additional information regarding this matter.

TOWN OF ARLINGTON

Joseph J. Connelly, Director of Recreation
Dan McGrath, Recreation Supervisor



Recreation Department

PARK COMMISSIONERS

Donald Vitters
Shirley Canniff
Jim Robillard
Leslie Mayer
Jen Rothenberg

M E M O

TO: Andrew Flanagan, Deputy Town Manager
FROM: Joseph Connelly, Director of Recreation
Date: February 26, 2014
Subject: 657 Budget – FY 14

I would like to request that the rink operating budget for FY 14 be increased by \$43,044.91. The following expenses were unexpected but were unavoidable in order for us to continue our day to day operations:

Electric Zamboni - \$14,099.80
Electric Zamboni Electrical Outlet - \$2,492.12
Back-up Compressor Motor Replacement - \$7,489.99
Glycol Replacement - \$2,123
DCR Payments FY 12 & FY 13 - \$10,933
DCR Payment FY 14 Estimate 1% Gross Revenue - \$5,907

Total = \$43,044.91

This would raise our operating budget in FY 2014 from \$591,557.14 to \$634,602.05.

ARTICLE 4**APPROPRIATION FY 2014/COLLECTIVE BARGAINING**

To see if the Town will vote to fund fiscal items contained in collective bargaining agreements negotiated between the Town and the following named collective bargaining units in FY14, and to fund for non-union, M Schedule, and elected officials' salaries or fringe benefits, determine how the money shall be raised and expended; or take any action related thereto:

- A. Local 680, American Federation of State, County and Municipal Employees;
 - B. Service Employees International Union (formerly NAGE);
 - C. Robbins Library Professional Association;
 - D. Local 1297, International Association of Firefighters;
 - E. Arlington Patrolmen's Association;
 - F. Arlington Ranking Police Officers' Association;
 - G. M Schedule and non-union employees; and
 - H. Full-time elected officials
- (Inserted at the request of the Town Manager)

VOTED: That the Town hereby ratifies the following financial items in the collective bargaining agreement and memorandum of agreement with the following collective bargaining unit:

E. Arlington Police Patrolmen's Association

- (1) a 2.75% general wage increase effective July 1, 2013;

and that for this purpose the sum of \$89,000, which is to be raised by the general tax and which has been previously appropriated and set aside by vote of the April 29, 2013 Annual Town Meeting under Warrant Article 29, may be expended under the direction of the Town Manager.;

ITEM	FY14	FY15	TOTAL
7/1/2011 - 2.75% (Previously Funded)			-
7/1/2012 - 3% (Previously Funded)			-
7/1/2013 - 2.75%	89,000		89,000.00
7/1/2014 - 2.75%		Funded in FY 2015 Operating Budget	-
			-
			-
			-
TOTAL ROLL OUT COST	89,000		89,000.00



Arlington Public Schools
Business Office
869 Massachusetts Avenue
Arlington, Massachusetts 02476
Telephone 781-316-3511

Diane Fisk Johnson, Chief Financial Officer
djohanson@arlington.k12.ma.us

February 28, 2014

RE: Peirce School Flood

On January 4, 2014 a failure of the heating system caused pipes to freeze and burst, flooding a reading support room and part of the library. This failure was detected on Sunday, January 5. Thanks to the hard work of the maintenance and custodial staff, repairs and clean up were done in time to allow school to open Monday morning.

Attached please find a summary of the expense incurred because of this event, along with the support documentary detail.

One item of particular note is that while approximately 25% of the library rug was damaged by the flood, the School Department has elected to replace the entire rug during the next available vacation. We are requesting only 25% of the total cost of replacement.

We are requesting \$25,862.17 to fund the repairs and replacements due to this emergency.

Expenses Associated with Peirce Elementary School Freeze Incident

(Copies of all documents in attachments)

A.J. Rose * (Town Portion)	\$	1,901.53		PO(work will be done during April Vacation)
Duggan Mecanical Svcs	\$	3,332.50		Invoice
Duggan Mecanical Svcs	\$	520.00		Invoice
Duggan Mecanical Svcs	\$	260.00		Invoice
Duggan Mecanical Svcs	\$	1,040.00		Invoice
Duggan Mecanical Svcs	\$	1,040.00		Invoice
Duggan Mecanical Svcs	\$	1,531.88		Invoice
Patrick Hourican	\$	2,800.00		PO(Work currently in process)
City Paint & Supply	\$	317.50		Invoice
Plumber's Supply Co.	\$	112.20		Invoice
Plumber's Supply Co.	\$	35.95	\$ 12,891.56	Invoice

Custodial	\$	1,302.34		Detail attached
Maintenance	\$	4,630.56	\$ 5,932.90	Detail attached

Book Replacement-Library	\$	3,828.37	\$ 3,828.37	Teacher generated listing
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Reading Specialists Materials	\$	3,209.34	\$ 3,209.34	Teacher generated listing
			\$ 25,862.17	Request to Town

* A.J. Rose
 25% Town: \$1,901.53
 75% School:\$5,704.59